Meeting: 11/26/18 Agenda Item No. 6



City of Santa Barbara Airport Department

DATE:

November 26, 2018

TO:

Airport Commission

FROM:

Aaron Keller, Interim Airport Director

SUBJECT:

Lease Agreement – Utility Tree Service, Inc.

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a three (3) year Lease Agreement plus two (2) automatic, one (1) year options to extend with Utility Tree Service, Inc., a California Corporation, for 800 square feet of office space in Building 224, at 6100-B Francis Botello Road and 8,734 square feet of paved land at 6160 Robert Kiester Place, at the Santa Barbara Airport, effective January 1, 2019, for a monthly rental of \$4,119.21, exclusive of utilities. The automatic options are predicated on Lessee's compliance with all lease terms.

DISCUSSION:

The subject Premises are located north of Hollister Avenue in an Airport Industrial (Al-1) zone.

Utility Tree Service, a subsidiary of Asplundh Tree Expert Company, has been a tenant in good standing at the Airport since August 1, 2003, leasing an office for dispatching and recordkeeping for tree-trimming company. In 2013, Utility Tree relocated to Unit C of Building 224, and added 8,734 square feet of paved storage yard on Robert Kiester Place. Utility Tree is a Southern California Edison subcontractor. The use conforms to existing zoning.

The proposed monthly rental is based on a rate of \$1.71 per square foot for office space, and \$.315 per square foot for paved land, which is within the parameters of lease rates approved by the Commission. It is comparable to other buildings and land on the Airport for similar use and in similar condition. The rental represents a 3.7% increase over the previous year.

In addition, Utility Tree will pay monthly utility charges of \$23.09 for water and \$15.39 for sewer, or the metered amount, whichever is greater.

The proposed Lease Agreement has been negotiated based upon the criteria set forth in Resolution 93-127, and has been reviewed and determined to be exempt from environmental review.

PREPARED BY: Business Development/Properties